PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of Thursday, September 17, 2009

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Callisto, Commissioner Meyer, and Commissioner Azar.

Minutes

The Commission approved the minutes of the Open Meeting of Thursday, September 10, 2009.

Commissioner Meyer voted present.

6720-TI-220 – Administration of the Mechanics of Price Regulation Pertaining to Wisconsin Bell, Inc., d/b/a AT&T Wisconsin, on the September 1, 2009 Anniversary

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6720-DR-101 – Petition of AT&T Wisconsin for Declaratory Ruling that Its "U-verse Voice" Service is Subject to Exclusive Federal Jurisdiction

The Commission accepted for the record a representation by Wisconsin Bell, Inc., d/b/a AT&T Wisconsin, regarding the treatment of U-verse Voice revenues for remainder/advance, Telephone Relay Services and Department of Agriculture, Trade and Consumer Protection funding assessments.

The Commission approved the Temporary Order Deferring Decision and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5-UI-115 – Investigation into the Adoption and Achievement of Increased Conservation and Energy Efficiency Goals

The Commission discussed the issues in Phase One of this docket and made determinations, including the following:

- 1. Energy efficiency and renewable resource goals should be established as reductions in energy use and demand, recognizing that emissions reductions will follow. While both energy and demand goals should be established, there should be greater emphasis on reducing energy use than demand reduction.
- 2. Energy efficiency and renewable resource goals should be based on resource benefits. Non-resource economic benefits should be optimized in the program planning and design stage.

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- 3. Rate impacts should be considered in the determination of the appropriate energy efficiency and renewable resource goals and rate mitigation strategies should be investigated.
- 4. The energy efficiency and renewable resource goals should be expressed as a percentage reduction in future energy use and demand.
- 5. A four-year planning horizon for goals is appropriate with an annual review to assess progress toward goal achievement.
- 6. While it is appropriate for the energy efficiency and renewable resource programs to focus most heavily on short-term energy savings goal achievement, longer-term market changes are necessary to increase the capture of energy efficiency over time. Short-term quantitative energy savings goals should be established as well as qualitative targets for long-term market effects over the planning horizon. Program planners should prioritize designs that simultaneously achieve short-term energy savings while targeting longer-term changes.
- 7. Goals for demand response and rates that encourage energy efficiency and on-site renewable production should not be established in this proceeding.
- 8. Availability, reliability and persistence should be considered when developing programs under Wis. Stat. § 196.374. This is not the appropriate venue to address integration of demand-side and supply-side resources.

The Commission directed that this matter be laid over for further discussion at the next open meeting.

5-UI-116 – Investigation to Develop and Analyze Alternative Electric and Natural Gas Rate Design and Load Management Options which have the Potential to Reduce Emissions of Greenhouse Gases

Nominations of Electric Demand Reductions from Wisconsin Retail Loads into the Midwest Independent Transmission System Operator Energy Market by Aggregators of Retail Customers

The Commission discussed the issues regarding participation of aggregators of retail customers in Wisconsin.

The Commission determined that a regulatory timeout on this topic is appropriate to allow for further review of its effect in Wisconsin.

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The Commission directed that this matter be laid over for further discussion at the next open meeting to allow consultation with counsel as to whether an order or a letter to the Midwest Independent Transmission System Operator, Inc., may be the appropriate form of Commission action.

6630-CE-302 – Application of Wisconsin Electric Power Company for a Certificate of Public Convenience and Necessity to Construct a Wind Electric Generation Facility and Associated Electric Facilities, to be Located in the Towns of Randolph and Scott, Columbia County, Wisconsin

1-IC-420 – Application for Intervenor Compensation Filed by Coalition for Wisconsin Environmental Stewardship for \$31,425 to Participate in Docket 6630-CE-302

The Commission modified and approved the revised request filed on behalf of the Coalition for Wisconsin Environmental Stewardship, awarding the amount of \$15,775 in intervenor compensation to participate in the Wisconsin Electric Power Company application for a certificate of public convenience and necessity to construct the project known as the Glacier Hills Wind Park, in docket 6630-CE-302.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

5-GF-135 – Annual Certification of Eligible Telecommunications Carriers (ETCs) for Eligibility to Receive Federal High-Cost Funds

5-GF-139 – Annual Certification of Rate Comparability for Non-Rural Carriers Serving in Rural Areas

Delegation of Certain Certifications to the Federal Communications Commission

The Commission delegated to the Administrator of the Telecommunications Division the annual certification to the Federal Communications Commission (FCC) of those Wisconsin telecommunications providers that are eligible telecommunications carriers.

The Commission delegated to the Administrator of the Telecommunications Division the annual certification to the FCC of urban and rural rate comparability in Wisconsin.

2815-TI-105 – Application of CenturyTel of the Midwest – Kendall, LLC for Approval of an Alternative Regulation Plan

This item was laid over at the request of the Commission.

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2930-TI-104 – Application of CenturyTel of Wisconsin, LLC, for Approval of an Alternative Regulation Plan

This item was laid over at the request of the Commission.

4260-TI-103 – Application of CenturyTel of the Midwest-Wisconsin, LLC, for Approval of an Alternative Regulation Plan

This item was laid over at the request of the Commission.

7880-TI-103 – Complaint of AT&T Communications of Wisconsin, LLP, and TCG Milwaukee, Inc., Against Northern Telephone and Data Corporation

Determination of Whether to Open Docket on a Complaint that Intrastate Terminating Access Rates are Unjust and Unreasonable

The Commission discussed various options on how to proceed with the complaint filed in this docket.

The Commission directed that this matter be laid over for further discussion at the next open meeting.

2740-WR-107 – Application of Janesville Water Utility, Rock County Wisconsin, for Authority to Increase Water Rates

1-IC-426 – Application for Intervenor Compensation Filed by Clean Wisconsin for \$5,475 to Participate in Docket 2740-WR-107

The Commission approved the request filed on behalf of Clean Wisconsin, awarding the amount of \$5,475 in intervenor compensation to participate in the Janesville Water Utility application to increase water rates, in docket 2740-WR-107.

The Commission directed the Division of Water, Compliance and Consumer Affairs to draft an order consistent with its discussion.

The Commission adjourned the meeting at 11:56 a.m.

Sandra J. Paske Secretary to the Commission